



Shifting Economic Landscapes: Strategic Responses of Small Open Economies

Remarks by **Deputy Governor Dr. Alwyn Jordan**
at the 46th Annual Review Seminar

Monday, August 10, 2026



**Central Bank of Barbados**

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Distinguished speakers, invited guests, representatives of regional and international institutions, colleagues from central banks, members of academia, the private sector and government, ladies and gentlemen, good morning to all of you.

It is my pleasure to welcome you to the 46th Annual Review Seminar of the Central Bank of Barbados.

For more than four decades, this seminar has served as one of the Caribbean's leading forums for economic research and policy dialogue. It brings together researchers, policymakers, practitioners and students to exchange ideas, challenge conventional thinking and contribute to stronger economic policymaking across our region.

This year's theme, "Shifting Economic Landscapes: Strategic Responses of Small Open Economies," could not be more relevant.

The global economy is undergoing profound structural change. Trade relationships are being reshaped. Supply chains continue to evolve in response to geopolitical developments. Digital technologies are transforming production, finance and commerce at an unprecedented pace. Climate-related risks are imposing growing economic and fiscal costs, while demographic shifts and changing patterns of investment are reshaping the foundations of long-term growth.

But what has changed is not simply the number of shocks we face. It is the nature of the environment itself. For small open economies, uncertainty is becoming a structural feature of economic policymaking rather than an occasional disruption.

These developments are not distant events that we observe from afar. They shape our export potential, the prices we pay for imports, the resilience of our financial systems, the competitiveness of our businesses and, ultimately, the opportunities available to our citizens.

These realities demand more than resilience. They require strategic thinking, sound institutions, and policies that are forward-looking and adaptable.

Moving beyond resilience means making choices before shocks arrive rather than after: where to build redundancy and diversification, which investments and institutional capabilities to prioritise, what financing buffers to hold, how rapidly to deepen our digital infrastructure while managing the vulnerabilities that accompany it, and which dependencies a small economy can prudently tolerate and which it cannot.

The questions before us are therefore both practical and urgent, and they are questions of trade-off rather than aspiration:

How much short-run efficiency should a small economy be willing to sacrifice for greater resilience?

How do we diversify our economic relationships without surrendering the benefits of openness?

How do we embrace digital transformation while managing the new operational, cyber and financial risks it creates?

How do we finance resilience and transformation without undermining fiscal and debt sustainability?

These are precisely the issues that this year's seminar seeks to examine.

We begin this morning with a panel discussion on "Caribbean Economic Strategies for Navigating Global Trade Fragmentation." The question I would put to that panel, and to all of us, is this: how do Caribbean economies reposition trade, tourism, production, logistics and financing in a global system that is becoming less predictable? Throughout the week, participants will explore issues ranging from financial intermediation, trade competitiveness and tourism to inflation, digital transformation and climate resilience. Together, these sessions provide a comprehensive examination of the forces reshaping our economies and the policy responses required to address them.

This year's programme reflects the breadth of issues confronting small open economies and the strength of economic research across our region. It brings together experienced researchers alongside emerging scholars, reflecting our longstanding commitment to developing research capacity within Barbados and the wider Caribbean. Strong policy depends on strong research. But strong research must do more than describe what happened. It must help us answer the harder questions: what works, for whom, under what conditions, and at what cost? It is fitting, then, that the week closes with a practical workshop on difference-in-differences methods, one of the tools that helps us move from asking what happened to establishing what a policy actually caused.

I encourage all participants to engage fully over the coming days, to ask questions, to challenge assumptions, and to share your experiences. The greatest value of this seminar lies not only in the presentations themselves, but in the discussions they inspire and the collaborations they create.

Let me leave you with this. Small economies cannot determine the direction of the global economy. But we are not without agency. We can decide how we prepare, where we build resilience, what capabilities we develop, and how deliberately we position ourselves for what comes next.

I wish to thank our presenters, discussants, session chairs, moderators, and the organising committee for their hard work in making this seminar possible. I also thank each of you for joining us and contributing to what promises to be another stimulating and productive week.

It is now my pleasure to officially declare the 46th Annual Review Seminar of the Central Bank of Barbados open.

Thank you, and I wish you a rewarding and engaging week.